



Sen. Terry Link

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1 AMENDMENT TO HOUSE BILL 5017

2 AMENDMENT NO. _____. Amend House Bill 5017 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The Charitable Games Act is amended by changing
5 Sections 4, 5.1, and 8 as follows:

6 (230 ILCS 30/4) (from Ch. 120, par. 1124)

7 Sec. 4. Licensing Restrictions. Licensing for the
8 conducting of charitable games is subject to the following
9 restrictions:

10 (1) The license application, when submitted to the
11 Department of Revenue, must contain a sworn statement
12 attesting to the not-for-profit character of the
13 prospective licensee organization, signed by a person
14 listed on the application as an owner, officer, or other
15 person in charge of the necessary day-to-day operations.
16 The application shall contain the name of the person in

1 charge of and primarily responsible for the conduct of the
2 charitable games. The person so designated shall be present
3 on the premises continuously during charitable games.

4 (2) The license application shall be prepared by the
5 prospective licensee organization or its duly authorized
6 representative in accordance with the rules of the
7 Department of Revenue.

8 (2.1) The organization shall maintain among its books
9 and records a list of the names, addresses, social security
10 numbers, and dates of birth of all persons who will
11 participate in the management or operation of the games,
12 along with a sworn statement made under penalties of
13 perjury, signed by a person listed on the application as an
14 owner, officer, or other person in charge of the necessary
15 day-to-day operations, that the persons listed as
16 participating in the management or operation of the games
17 are bona fide members, volunteers as defined in Section 2,
18 or employees of the applicant, that these persons have not
19 participated in the management or operation of more than 12
20 charitable games events conducted by any licensee in the
21 calendar year, and that these persons will receive no
22 remuneration or compensation, directly or indirectly from
23 any source, for participating in the management or
24 operation of the games. Any amendments to this listing must
25 contain an identical sworn statement.

26 (2.2) (Blank).

1 (3) Each license shall state the date, hours and at
2 what locations the licensee is permitted to conduct
3 charitable games.

4 (4) Each licensee shall file a copy of the license with
5 each police department or, if in unincorporated areas, each
6 sheriff's office whose jurisdiction includes the premises
7 on which the charitable games are authorized under the
8 license.

9 (5) The licensee shall prominently display the license
10 in the area where the licensee is to conduct charitable
11 games. The licensee shall likewise display, in the form and
12 manner prescribed by the Department, the provisions of
13 Section 9 of this Act.

14 (6) (Blank).

15 (7) (Blank).

16 (8) A license is not assignable or transferable.

17 (9) Unless the premises for conducting charitable
18 games are provided by a municipality, the Department shall
19 not issue a license permitting a person, firm or
20 corporation to sponsor a charitable games night if the
21 premises for the conduct of the charitable games has been
22 previously used for 12 charitable games nights during the
23 previous 12 months.

24 (10) Auxiliary organizations of a licensee shall not be
25 eligible for a license to conduct charitable games, except
26 for auxiliary organizations of veterans organizations as

1 authorized in Section 2.

2 (11) Charitable games must be conducted in accordance
3 with local building and fire code requirements.

4 (12) The licensee shall consent to allowing the
5 Department's employees to be present on the premises
6 wherein the charitable games are conducted and to inspect
7 or test equipment, devices and supplies used in the conduct
8 of the game.

9 Nothing in this Section shall be construed to prohibit a
10 licensee that conducts charitable games on its own premises
11 from also obtaining a providers' license in accordance with
12 Section 5.1. The maximum number of charitable games events that
13 may be held in any one premises is limited to no more than 12
14 charitable games events per calendar year ~~one charitable games~~
15 ~~event per month.~~

16 (Source: P.A. 98-377, eff. 1-1-14.)

17 (230 ILCS 30/5.1) (from Ch. 120, par. 1125.1)

18 Sec. 5.1. If a licensee conducts charitable games on its
19 own premises, the licensee may also obtain a providers' license
20 in accordance with Section 5 to allow the licensee to rent or
21 otherwise provide its premises to another licensee for the
22 conducting of an additional 4 charitable games events. The
23 maximum number of charitable games events that may be held at
24 any one premises is limited to 12 ~~8~~ charitable games events per
25 calendar year.

1 (Source: P.A. 94-986, eff. 6-30-06.)

2 (230 ILCS 30/8) (from Ch. 120, par. 1128)

3 Sec. 8. The conducting of charitable games is subject to
4 the following restrictions:

5 (1) The entire net proceeds from charitable games must
6 be exclusively devoted to the lawful purposes of the
7 organization permitted to conduct that game.

8 (2) No person except a bona fide member or employee of
9 the sponsoring organization, or a volunteer recruited by
10 the sponsoring organization, may participate in the
11 management or operation of the game. A person participates
12 in the management or operation of a charitable game when he
13 or she sells admission tickets at the event; sells,
14 redeems, or in any way assists in the selling or redeeming
15 of chips, scrip, or play money; participates in the
16 conducting of any of the games played during the event, or
17 supervises, directs or instructs anyone conducting a game;
18 or at any time during the hours of the charitable games
19 event counts, handles, or supervises anyone counting or
20 handling any of the proceeds or chips, scrip, or play money
21 at the event. A person who is present to ensure that the
22 games are being conducted in conformance with the rules
23 established by the licensed organization or is present to
24 insure that the equipment is working properly is considered
25 to be participating in the management or operation of a

1 game. Setting up, cleaning up, selling food and drink, or
2 providing security for persons or property at the event
3 does not constitute participation in the management or
4 operation of the game.

5 Only bona fide members, volunteers as defined in
6 Section 2 of this Act, and employees of the sponsoring
7 organization may participate in the management or
8 operation of the games. Participation in the management or
9 operation of the games is limited to no more than 12
10 charitable games events, either of the sponsoring
11 organization or any other licensed organization, during a
12 calendar year.

13 (3) No person may receive any remuneration or
14 compensation either directly or indirectly from any source
15 for participating in the management or operation of the
16 game.

17 (4) No single bet at any house-banked game may exceed
18 \$20.

19 (5) A bank shall be established on the premises to
20 convert currency into chips, scrip, or other form of play
21 money which shall then be used to play at games of chance
22 which the participant chooses. Chips, scrip, or play money
23 must be permanently monogrammed with the supplier license
24 number or logo or charitable games license number of a
25 licensed organization or of the supplier. Each participant
26 must be issued a receipt indicating the amount of chips,

1 scrip, or play money purchased.

2 (6) At the conclusion of the event or when the
3 participant leaves, he or she may cash in his or her chips,
4 scrip, or play money in exchange for currency not to exceed
5 \$500 in cash winnings or unlimited noncash prizes. Each
6 participant shall sign for any receipt of prizes. The
7 licensee shall provide the Department of Revenue with a
8 listing of all prizes awarded, including the retail value
9 of all prizes awarded.

10 (7) Each licensee shall be permitted to conduct
11 charitable games on not more than 4 days each year. Nothing
12 in this Section shall be construed to prohibit a licensee
13 that conducts charitable games on its own premises from
14 also obtaining a providers' license in accordance with
15 Section 7 of this Act.

16 (8) Unless the provider of the premises is a
17 municipality, the provider of the premises may not rent or
18 otherwise provide the premises for the conducting of more
19 than 12 charitable games nights per calendar year ~~one~~
20 ~~charitable games night per month.~~

21 (9) A charitable games event is considered to be a
22 one-day event and charitable games may not be played
23 between the hours of 2:00 a.m. and noon.

24 (10) No person under the age of 18 years may play or
25 participate in the conducting of charitable games. Any
26 person under the age of 18 years may be within the area

1 where charitable games are being played only when
2 accompanied by his parent or guardian.

3 (11) No one other than the sponsoring organization of
4 charitable games must have a proprietary interest in the
5 game promoted.

6 (12) Raffles or other forms of gambling prohibited by
7 law shall not be conducted on the premises where charitable
8 games are being conducted.

9 (13) Such games are not expressly prohibited by county
10 ordinance for charitable games conducted in the
11 unincorporated areas of the county or municipal ordinance
12 for charitable games conducted in the municipality and the
13 ordinance is filed with the Department of Revenue. The
14 Department shall provide each county or municipality with a
15 list of organizations licensed or subsequently authorized
16 by the Department to conduct charitable games in their
17 jurisdiction.

18 (14) The sale of tangible personal property at
19 charitable games is subject to all State and local taxes
20 and obligations.

21 (15) Each licensee may offer or conduct only the games
22 listed below, which must be conducted in accordance with
23 rules posted by the organization. The organization
24 sponsoring charitable games shall promulgate rules, and
25 make printed copies available to participants, for the
26 following games: (a) roulette; (b) blackjack; (c) poker;

1 (d) pull tabs; (e) craps; (f) bang; (g) beat the dealer;
2 (h) big six; (i) gin rummy; (j) five card stud poker; (k)
3 chuck-a-luck; (l) keno; (m) hold-em poker; and (n)
4 merchandise wheel. A licensee need not offer or conduct
5 every game permitted by law. The conducting of games not
6 listed above is prohibited by this Act.

7 (16) No slot machines or coin-in-the-slot-operated
8 devices that allow a participant to play games of chance
9 shall be permitted to be used at the location and during
10 the time at which the charitable games are being conducted.
11 However, establishments that have video gaming terminals
12 licensed under the Video Gaming Act may operate them along
13 with charitable games under rules adopted by the
14 Department.

15 (17) No cards, dice, wheels, or other equipment may be
16 modified or altered so as to give the licensee a greater
17 advantage in winning, other than as provided under the
18 normal rules of play of a particular game.

19 (18) No credit shall be extended to any of the
20 participants.

21 (19) (Blank).

22 (20) A supplier may have only one representative
23 present at the charitable games event, for the exclusive
24 purpose of ensuring that its equipment is not damaged.

25 (21) No employee, owner, or officer of a consultant
26 service hired by a licensed organization to perform

1 services at the event including, but not limited to,
2 security for persons or property at the event or services
3 before the event including, but not limited to, training
4 for volunteers or advertising may participate in the
5 management or operation of the games.

6 (22) (Blank).

7 (Source: P.A. 98-377, eff. 1-1-14.)

8 Section 10. The Video Gaming Act is amended by changing
9 Sections 25, 55, and 58 and by adding Section 59 as follows:

10 (230 ILCS 40/25)

11 Sec. 25. Restriction of licensees.

12 (a) Manufacturer. A person may not be licensed as a
13 manufacturer of a video gaming terminal in Illinois unless the
14 person has a valid manufacturer's license issued under this
15 Act. A manufacturer may only sell video gaming terminals for
16 use in Illinois to persons having a valid distributor's
17 license.

18 (b) Distributor. A person may not sell, distribute, or
19 lease or market a video gaming terminal in Illinois unless the
20 person has a valid distributor's license issued under this Act.
21 A distributor may only sell video gaming terminals for use in
22 Illinois to persons having a valid distributor's or terminal
23 operator's license.

24 (c) Terminal operator. A person may not own, maintain, or

1 place a video gaming terminal unless he has a valid terminal
2 operator's license issued under this Act. A terminal operator
3 may only place video gaming terminals for use in Illinois in
4 licensed establishments, licensed truck stop establishments,
5 licensed fraternal establishments, and licensed veterans
6 establishments. No terminal operator may give anything of
7 value, including but not limited to a loan or financing
8 arrangement, to a licensed establishment, licensed truck stop
9 establishment, licensed fraternal establishment, or licensed
10 veterans establishment as any incentive or inducement to locate
11 video terminals in that establishment. Of the after-tax profits
12 from a video gaming terminal, 50% shall be paid to the terminal
13 operator and 50% shall be paid to the licensed establishment,
14 licensed truck stop establishment, licensed fraternal
15 establishment, or licensed veterans establishment,
16 notwithstanding any agreement to the contrary. A video terminal
17 operator that violates one or more requirements of this
18 subsection is guilty of a Class 4 felony and is subject to
19 termination of his or her license by the Board.

20 (d) Licensed technician. A person may not service,
21 maintain, or repair a video gaming terminal in this State
22 unless he or she (1) has a valid technician's license issued
23 under this Act, (2) is a terminal operator, or (3) is employed
24 by a terminal operator, distributor, or manufacturer.

25 (d-5) Licensed terminal handler. No person, including, but
26 not limited to, an employee or independent contractor working

1 for a manufacturer, distributor, supplier, technician, or
2 terminal operator licensed pursuant to this Act, shall have
3 possession or control of a video gaming terminal, or access to
4 the inner workings of a video gaming terminal, unless that
5 person possesses a valid terminal handler's license issued
6 under this Act.

7 (e) Licensed establishment. No video gaming terminal may be
8 placed in any licensed establishment, licensed veterans
9 establishment, licensed truck stop establishment, or licensed
10 fraternal establishment unless the owner or agent of the owner
11 of the licensed establishment, licensed veterans
12 establishment, licensed truck stop establishment, or licensed
13 fraternal establishment has entered into a written use
14 agreement with the terminal operator for placement of the
15 terminals. A copy of the use agreement shall be on file in the
16 terminal operator's place of business and available for
17 inspection by individuals authorized by the Board. A licensed
18 establishment, ~~licensed truck stop establishment,~~ licensed
19 veterans establishment, or licensed fraternal establishment
20 may operate up to 5 video gaming terminals on its premises at
21 any time. A licensed truck stop establishment that is located
22 within 3 road miles from a freeway interchange, as measured in
23 accordance with the Illinois Department of Transportation's
24 rules regarding the criteria for the installation of business
25 signs, and that sells at retail more than 50,000 gallons of
26 diesel or biodiesel fuel per month may operate up to 10 video

1 gaming terminals on its premises at any time. A licensed truck
2 stop establishment may meet the fuel sales requirement by
3 showing that estimated future sales or past sales average at
4 least 50,000 gallons per month. All other licensed truck stop
5 establishments may operate no more than 5 video gaming
6 terminals at any time.

7 (f) (Blank).

8 (g) Financial interest restrictions. As used in this Act,
9 "substantial interest" in a partnership, a corporation, an
10 organization, an association, a business, or a limited
11 liability company means:

12 (A) When, with respect to a sole proprietorship, an
13 individual or his or her spouse owns, operates, manages, or
14 conducts, directly or indirectly, the organization,
15 association, or business, or any part thereof; or

16 (B) When, with respect to a partnership, the individual
17 or his or her spouse shares in any of the profits, or
18 potential profits, of the partnership activities; or

19 (C) When, with respect to a corporation, an individual
20 or his or her spouse is an officer or director, or the
21 individual or his or her spouse is a holder, directly or
22 beneficially, of 5% or more of any class of stock of the
23 corporation; or

24 (D) When, with respect to an organization not covered
25 in (A), (B) or (C) above, an individual or his or her
26 spouse is an officer or manages the business affairs, or

1 the individual or his or her spouse is the owner of or
2 otherwise controls 10% or more of the assets of the
3 organization; or

4 (E) When an individual or his or her spouse furnishes
5 5% or more of the capital, whether in cash, goods, or
6 services, for the operation of any business, association,
7 or organization during any calendar year; or

8 (F) When, with respect to a limited liability company,
9 an individual or his or her spouse is a member, or the
10 individual or his or her spouse is a holder, directly or
11 beneficially, of 5% or more of the membership interest of
12 the limited liability company.

13 For purposes of this subsection (g), "individual" includes
14 all individuals or their spouses whose combined interest would
15 qualify as a substantial interest under this subsection (g) and
16 whose activities with respect to an organization, association,
17 or business are so closely aligned or coordinated as to
18 constitute the activities of a single entity.

19 (h) Location restriction. A licensed establishment,
20 licensed truck stop establishment, licensed fraternal
21 establishment, or licensed veterans establishment that is (i)
22 located within 1,000 feet of a facility operated by an
23 organization licensee licensed under the Illinois Horse Racing
24 Act of 1975 or the home dock of a riverboat licensed under the
25 Riverboat Gambling Act or (ii) located within 100 feet of a
26 school or a place of worship under the Religious Corporation

1 Act, is ineligible to operate a video gaming terminal. The
2 location restrictions in this subsection (h) do not apply if
3 (A) a facility operated by an organization licensee, a school,
4 or a place of worship moves to or is established within the
5 restricted area after a licensed establishment, licensed truck
6 stop establishment, licensed fraternal establishment, or
7 licensed veterans establishment becomes licensed under this
8 Act or (B) a school or place of worship moves to or is
9 established within the restricted area after a licensed
10 establishment, licensed truck stop establishment, licensed
11 fraternal establishment, or licensed veterans establishment
12 obtains its original liquor license. For the purpose of this
13 subsection, "school" means an elementary or secondary public
14 school, or an elementary or secondary private school registered
15 with or recognized by the State Board of Education.

16 Notwithstanding the provisions of this subsection (h), the
17 Board may waive the requirement that a licensed establishment,
18 licensed truck stop establishment, licensed fraternal
19 establishment, or licensed veterans establishment not be
20 located within 1,000 feet from a facility operated by an
21 organization licensee ~~or~~ licensed under the Illinois Horse
22 Racing Act of 1975 or the home dock of a riverboat licensed
23 under the Riverboat Gambling Act. The Board shall not grant
24 such waiver if there is any common ownership or control, shared
25 business activity, or contractual arrangement of any type
26 between the establishment and the organization licensee or

1 owners licensee of a riverboat. The Board shall adopt rules to
2 implement the provisions of this paragraph.

3 (i) Undue economic concentration. In addition to
4 considering all other requirements under this Act, in deciding
5 whether to approve the operation of video gaming terminals by a
6 terminal operator in a location, the Board shall consider the
7 impact of any economic concentration of such operation of video
8 gaming terminals. The Board shall not allow a terminal operator
9 to operate video gaming terminals if the Board determines such
10 operation will result in undue economic concentration. For
11 purposes of this Section, "undue economic concentration" means
12 that a terminal operator would have such actual or potential
13 influence over video gaming terminals in Illinois as to:

14 (1) substantially impede or suppress competition among
15 terminal operators;

16 (2) adversely impact the economic stability of the
17 video gaming industry in Illinois; or

18 (3) negatively impact the purposes of the Video Gaming
19 Act.

20 The Board shall adopt rules concerning undue economic
21 concentration with respect to the operation of video gaming
22 terminals in Illinois. The rules shall include, but not be
23 limited to, (i) limitations on the number of video gaming
24 terminals operated by any terminal operator within a defined
25 geographic radius and (ii) guidelines on the discontinuation of
26 operation of any such video gaming terminals the Board

1 determines will cause undue economic concentration.

2 (j) The provisions of the Illinois Antitrust Act are fully
3 and equally applicable to the activities of any licensee under
4 this Act.

5 (Source: P.A. 97-333, eff. 8-12-11; 98-31, eff. 6-24-13; 98-77,
6 eff. 7-15-13; 98-112, eff. 7-26-13; revised 10-17-13.)

7 (230 ILCS 40/55)

8 Sec. 55. Precondition for licensed location.

9 (a) In all cases of application for a licensed location, to
10 operate a video gaming terminal, each licensed establishment,
11 licensed fraternal establishment, or licensed veterans
12 establishment shall possess a valid liquor license issued by
13 the Illinois Liquor Control Commission in effect at the time of
14 application and at all times thereafter during which a video
15 gaming terminal is made available to the public for play at
16 that location. Video gaming terminals in a licensed location
17 shall be operated only during the same hours of operation
18 generally permitted to holders of a license under the Liquor
19 Control Act of 1934 within the unit of local government in
20 which they are located. A licensed truck stop establishment
21 that does not hold a liquor license may operate video gaming
22 terminals on a continuous basis. A licensed fraternal
23 establishment or licensed veterans establishment that does not
24 hold a liquor license may operate video gaming terminals if (i)
25 the establishment is located in a county with a population

1 between 6,500 and 7,000, based on the 2000 U.S. Census, (ii)
2 the county prohibits by ordinance the sale of alcohol, and
3 (iii) the establishment is in a portion of the county where the
4 sale of alcohol is prohibited. A licensed fraternal
5 establishment or licensed veterans establishment that does not
6 hold a liquor license may operate video gaming terminals if (i)
7 the establishment is located in a municipality within a county
8 with a population between 8,500 and 9,000 based on the 2000
9 U.S. Census and (ii) the municipality or county prohibits or
10 limits the sale of alcohol by ordinance in a way that prohibits
11 the establishment from selling alcohol.

12 (b) Beginning on the effective date of this amendatory Act
13 of the 98th General Assembly, the Board shall not grant a
14 license to operate as a licensed establishment to any
15 establishment that applies for such a license after the
16 effective date of this amendatory Act unless that establishment
17 can demonstrate that at least 60% or more of its gross annual
18 revenues, excluding video gaming revenues, are or will be
19 derived from food and beverage sales and that at least 50% of
20 all alcohol sales are consumed on the establishment's premises.
21 For any establishment that applies for a license to operate as
22 a licensed establishment and is granted such a license after
23 the effective date of this amendatory Act of the 98th General
24 Assembly, the Board shall not renew such license unless that
25 establishment can demonstrate that at least 60% or more of its
26 gross annual revenues, excluding video gaming revenues, are

1 derived from food and beverage sales and that least 50% of all
2 alcohol sales are consumed on the establishment's premises.
3 Each licensed establishment shall annually provide the Board
4 with a report showing its gross annual sales total and sales by
5 category, including food and beverage sales and on-premises and
6 off-premises alcohol sales. The Board may audit this report. If
7 the Board finds that a licensed establishment has sales of food
8 and beverage that is less than 60% of its gross annual
9 revenues, excluding video gaming revenues, or that less than
10 50% of all alcohol sales were consumed on the establishment's
11 premises, the Board shall immediately revoke the licensed
12 establishment's license. At no time shall there be more than
13 200 licensed establishments in Illinois with total revenues
14 from video gaming exceeding 80% of the licensed establishment's
15 gross annual revenues. Any licensed establishment that was
16 licensed or had an application submitted to the Board prior to
17 the effective date of this amendatory Act of the 98th General
18 Assembly shall not be required to demonstrate that at least 60%
19 or more of its gross annual revenues, excluding video gaming
20 revenues, are or will be derived from food and beverage sales
21 or that 50% or more of all alcohol sales are or will be
22 consumed on the establishment's premises as required by this
23 Section. This subsection (b) does not apply to any licensed
24 fraternal establishment, licensed veterans establishment, or a
25 bowling center or golf course that possesses a valid liquor
26 license issued by the Illinois Liquor Control Commission in

1 effect at the time of application and at all times thereafter.
2 For the purpose of this subsection, "bowling center" means a
3 building, facility, or a premises that provides an area
4 specifically designed to be used by the public for recreational
5 or competitive bowling, and "golf course" means an area
6 designated for the play or practice of the game of golf,
7 including surrounding grounds.

8 (Source: P.A. 96-34, eff. 7-13-09; 96-1410, eff. 7-30-10;
9 97-594, eff. 8-26-11.)

10 (230 ILCS 40/58)

11 Sec. 58. Location of terminals. Video gaming terminals
12 must be located in an area restricted to persons over 21 years
13 of age the entrance to which is within the view of at least one
14 employee, who is over 21 years of age, of the establishment in
15 which they are located or, if a licensed truck stop
16 establishment, monitored through a closed circuit television
17 monitor located on the premises and within the direct view of
18 at least one employee, who is over 21 years of age. Beginning
19 on March 1, 2015, each licensed establishment, licensed truck
20 stop establishment, licensed fraternal establishment, and
21 licensed veterans establishment shall post a sign at the
22 entrance of each video gaming area stating (i) that only
23 persons over 21 years of age are allowed in the area, (ii) that
24 persons on the Board's self-exclusion list are prohibited from
25 entering the area, and (iii) information regarding obtaining

1 assistance with gambling problems. The exact text, font size,
2 and dimensions of the sign shall be determined by rule by the
3 Board. The placement of video gaming terminals in licensed
4 establishments, licensed truck stop establishments, licensed
5 fraternal establishments, and licensed veterans establishments
6 shall be subject to the rules promulgated by the Board pursuant
7 to the Illinois Administrative Procedure Act.

8 (Source: P.A. 96-34, eff. 7-13-09; 96-37, eff. 7-13-09.)".

9 (230 ILCS 40/59 new)

10 Sec. 59. Advertising and promoting video gaming. Any
11 advertising or promotional activities promoting video gaming
12 conducted by a licensed establishment, licensed fraternal
13 establishment, licensed veterans establishment, or licensed
14 truck stop establishment shall include a statement regarding
15 obtaining assistance with gambling problems, the text of which
16 shall be determined by rule by the Board.

17 Section 99. Effective date. This Act takes effect upon
18 becoming law.".